

Message Text

LIMITED OFFICIAL USE

PAGE 01 LIBREV 00740 260821Z

ACTION AF-08

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-08 INR-07 LAB-04

NSAE-00 SIL-01 DODE-00 PA-01 USIA-06 PRS-01 SP-02

TRSE-00 /039 W

-----261221Z 123485 /11

R 260750Z MAR 77

FM AMEMBASSY LIBREVILLE

TO SECSTATE WASHDC 9094

LIMITED OFFICIAL USE LIBREVILLE 0740

E.O. 11652: NA

TAGS: PINT ECON GB

SUBJECT: GOG FREEZES WAGES AND PRICES

1. GOG COUNCIL OF MINISTERS IN REGULAR MONTHLY MEETING MARCH 23 ADOPTED SERIES OF MEASURES DESIGNED TO FREEZE WAGES AND PRICES. COMMUNIQUE SUMMIN UP RESULTS OF COUNCIL MEETING NOTED THAT APPROVAL WAS GIVEN TO NEW DECREE WHICH WILL PUT FREEZE INTO EFFECT BEGINNING ON DATE DECREE PUBLISHED, WHICH WAS NOT SPECIFIED. IN MEANTIME, SPECIAL AD HOC MINISTERIAL COMMISSION WAS CREATED TO SEE THAT WAGES AND PRICES DO NOT RISE. AS EXCEPTION TO GENERAL RULE, MINIMUM WAGE WAS GIVEN TOKEN INCREASE OF 2PCT (TO SLIGHT MORE THAN \$90) TO " PROTECT PURCHASING POWER OF LOW INCOME GROUP."

2. COMMENT: EMBASSY READS ADPOTIN OF CONTROLS ON WAGES AND PRICES AS MANEUVER BY BONGO GOVERNMENT TO MAKE ENDS MEET WITH CURRENTLY OVERTAXED BUDGET. 1977 BUDGET AS ORIGINALLY PREPARED ALLOWED FOR SALARY INCREASES THROUGHOUT PUBLIC ADMINISTRATION OF NEARLY 20 PCT, BUT WE SUSPECT THAT FUNDS NO LONGER AVAILABLE TO COVER THE PROPOSED RAISES. MOREOVER, INCREASING NUMBER OF CIVIL SERVANTS HAVE BEEN LEAVING GOG TO WORK FOR PRIVATE BUSINESSES FOR HIGHER WAGES. THUS, FREEZE MAY ALSO BE ATTEMPT TO

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LIBREV 00740 260821Z

LIMIT PRIVATE SECTORS ABILITY TO CONTINUE TO MAKE INROADS ON GOG EMPLOYEES WITH OFFERS OF EVER HIGHER SALARIES.

IN PAST GOG HAS NOT BEEN ABLE EFFECTIVELY TO CONTROL PRICES OR MARKETING PROCEDURES AND PREVIOUS REGULATIONS HAVE BEEN LARGELY IGNORED. DOUBTFUL THAT NEW MEASURES TO LIMIT PRICES WILL HAVE MUCH MORE EFFECT ON ECONOMY

WHICH STILL UNDERGONG STONG INFLATIONARY PRESSURES.
GIVEN LIKELIHOOD THAT PRICES WILL CONTINUE TO GO UP
AND CONSIDERING THAT WORKERS HAVE BECOME ACCUSTOMED
TO ANNUAL SALARY INCREASES IN NEIGHBORHOOD OF 20 PCT
EMBASSY BELIEVES THAT CURRENT FREEZE WILL BE EXTREMELY
UNPOPULAR WITH GABONESE AT ALL LEVELS AND ESPECIALLY
HARD ON LOWER INCOME WORKERS. STEIGMAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONTROLS
Control Number: n/a
Copy: SINGLE
Sent Date: 26-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LIBREV00740
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770104-0988
Format: TEL
From: LIBREVILLE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770319/aaaaaqa.tel
Line Count: 69
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 29033ab1-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2987047
Secure: OPEN
Status: NATIVE
Subject: GOG FREEZES WAGES AND PRICES
TAGS: PINT, ECON, GB
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/29033ab1-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009